



State Accounting Office PeopleSoft Financials Upgrade

STEERING COMMITTEE MEETING MINUTES

DATE: 02/17/2005	TIME/LOCATION: 1:00 – 2:00 PM 1412 WEST TOWER
ATTENDEES:	Present: Lynn Vellinga (SAO), Thomas Hills (CFO), Carie Summers for Tim Burgess (DCH), Kaye Carter (OPB), Russell Hinton (Audits), Tom Wade (GTA), John Sartain for BJ Walker (DHR), Frank Heiny (CAG/DNR), Brent Knowles (Audits), J.D. Wynn (Audits), Sue Aiken (OPB), Thomas Fruman (GTA), Bart Haberbosch, Sherrie Southern, Sunil Aluri, Betsy Prior, Deval Lott (SAO) Scribe: Stacey Price

AGENDA	
AGENDA ITEM	TOPIC
A1.	FINANCIAL UPGRADE PROJECT SCOPE REVIEW
A2.	RECOMMENDATIONS

DISCUSSION	
AGENDA ITEM	MAIN POINTS, CONCLUSIONS/DISCUSSIONS, ISSUES, NEXT STEPS
A1	<p>Lynn Vellinga welcomed group. Explained the purpose of calling this meeting on short notice was to get the Committee's input on some important scope enhancements to the PeopleSoft Financials Upgrade.</p> <p>SCOPE REVIEW</p> <p>Infrastructure:</p> <ul style="list-style-type: none"> In conjunction with the Financials upgrade, analysis needs to be completed to ensure the infrastructure will be in place to meet future needs; CAFR, Statewide reporting, consolidation of data, etc. <p>Statewide Financial Management System:</p> <ul style="list-style-type: none"> The system currently is transaction processing rather than a financial management system. SAO would like to make PeopleSoft the official accounting system of record for the State; need to make more effective and efficient use of the PeopleSoft system capabilities – use available features and functions not implemented. SAO will be able to mandate statewide policies and standardize processes, which will aid in the preparation and creation of the CAFR <p>Budget Structure Changes:</p> <ul style="list-style-type: none"> Appropriation Budget Control Change <ul style="list-style-type: none"> Changing from control of budget at object class level to Program level Common Object Class Monitoring

	<p>Commission for a New Georgia recommendations:</p> <ul style="list-style-type: none"> • Accounts Receivable / Billing Module • Cash Management - Consolidate Bank Accounts <p>Gaps Between Current Configuration and New Requirements:</p> <ul style="list-style-type: none"> • Reporting independent by agency, with no statewide perspective – statewide reporting • Budget Focus – No GAAP Focus (CAFR) • Accounts Receivable – no billing system • Multiple agency bank accounts - consolidate bank accounts . • Object class budget control - program budget control <p>Options to Address these Gaps</p> <p>Option 1:</p> <ul style="list-style-type: none"> • Configure system, mapping to current requirements (no change in scope): <ul style="list-style-type: none"> ○ This would mean fewer change management issues ○ Require continued workarounds ○ Incur additional costs for these workarounds ○ Make us unable to meet certain objectives ○ Incur greater cost if we implement PeopleSoft changes later <p>Option 2:</p> <ul style="list-style-type: none"> • Review impacts and implement change request as part of the Financial Upgrade to v8.8.
A2	<p><u>SAO Recommendations:</u></p> <p>Based on timing, funding and feasibility within the timeframe of the upgrade project, the following areas were determined to be key for scope change consideration:</p> <p><u>Scope Change Request:</u></p> <ul style="list-style-type: none"> • Analysis of PeopleSoft Chartfield usage – Chart of Accounts <ul style="list-style-type: none"> ○ Analysis would determine whether or not we need to redefine COA. Intent is to make best use of the COA. • Budget Structure Analysis • Statewide Reporting Strategy • CAFR Production System Capabilities – are there system capabilities that make this process more efficient? • Consolidated Bank Accounts • Implementation of Billing Module <p>Note: Grant Accounting is not included in this proposal.</p> <ul style="list-style-type: none"> • It was noted that PeopleSoft needs to be flexible enough to provide more detailed information to determine how agencies are spending money. • OPB FMS system is program based. The system needs to be able to accommodate changes. <p><u>Impacts on Implementation and Project Team:</u></p> <ul style="list-style-type: none"> • Increased time in Phase II Analysis and Design (originally slated for January 1st through May 5th, 2005.) • Increased Consulting Effort • Increased demand on SAO Resources

There was a buffer built-in to the original timeline, which could allow for this scope change. However, the timeframe will be much tighter, but still doable by the July 1st implementation.

Increased Impacts on Agencies:

- Level of effort in Phase II analysis and design.
 - Agencies will be much more involved in analysis and design process.
 - Fit Gap sessions will be much more in depth.
- Change Management
 - Business Process Re-engineering
 - Account Code Structure Changes
 - Off-Line interfaces from agency stand-alone systems into PeopleSoft.
- Training
 - New Processes
 - New Procedures
 - Will probably utilize a mixture of internal and external training in this effort. Could possibly utilize UGA Carl Vinson Institute for some of the training.
 - Training expense was included in the original contract with Accenture.

Costs

- A cost estimate was provided by Accenture, indicating a proposal for analysis and implementation of the areas previously mentioned for inclusion in the upgrade. The estimate included the billing module, which could possibly be implemented without consultant help, but would be post upgrade if that were the case.
- There is some funding remaining allocated from the Universal Service Funds for PeopleSoft upgrade projects.
- SAO is still in negotiation with Accenture on these estimates.

General Group Discussion:

- CAFR and Reporting – Analysis being done to include non-PeopleSoft agencies.
 - What can we do within the system
 - How can we bring in non-PeopleSoft summary data
- Streamlined bank accounts will ultimately save the State the most money.
- It was noted that as part of the COA analysis, try to align budgeting conventions more in line with GAAP accounting.
- Group discussed the fact that the budget has driven accounting in the State. There needs to be an effort to more efficiently align these functions.
- Once a decision is made on going forward, prioritize the identified areas, then proceed based on funds availability.
- Discussion was held on DOAS' Data Warehousing Project, and how we could utilize the same data work for this effort as well. It was noted that the State owns licenses for the Oracle Data Warehouse, and also owns a Business Intelligence reporting tool.
- Analysis of the proposed areas would begin immediately, and run 10-12 weeks.

Recommendation:

	<p>Thomas Hills proposed the Steering Committee give approval for the FN upgrade project to move forward with [the above discussed] analysis and implementation to the extent we have funds available, with the billing module as last priority, dependent on prior approval from the Critical Projects Review Panel. Mr. Hills asked for motion to second.</p> <p>Tom Wade of GTA seconded motion.</p> <p>Steering Committee unanimous on this motion.</p>
	<p>The next Steering Committee Meeting will be called as need arises.</p> <p>Meeting Adjourned</p>